



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/614,106	07/12/2000	Albhy Galuten	9386/1F699-US1	1564
7590 01/10/2006			EXAMINER	
Darby & Darby PC 805 Third Avenue New York, NY 10022			GART, MATTHEW S	
			ART UNIT	PAPER NUMBER
			3625	

DATE MAILED: 01/10/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/614,106

Applicant(s)

GALUTEN ET AL.

Examiner

Matthew S. Gart

Art Unit

3625

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 15 February 2005.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1,2,4,5,14,15,17,21,23-48 and 55-57 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1,2,4,5,14,15,17,21,23-48 and 55-57 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)   | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                                   | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

## **DETAILED ACTION**

### ***Prosecution History Summary***

- Claims 34-36 have been amended in order to correct claim dependency, whereby claim 34 is now dependent on claim 21, claim 35 is now dependent on claim 21, and claim 36 is now dependent on claim 23.
- Claims 49-54 have been cancelled without prejudice or disclaimer of the subject matter therein.
- Claims 3, 6-13, 16, 18-20 and 22 have been previously cancelled.
- Claims 1-2, 4-5, 14-15, 17, 21, 23-48 and 55-57 are currently pending in the instant application.

***Claim Rejections - 35 USC § 102***

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

**Claims 1-2, 4-5, 14-15, 17, 21, 23-48 and 55-57 are rejected under 35 U.S.C.**

**102(e) as being anticipated by Ginter U.S. Patent Number 5,949,876.**

- A copy of the detailed non-final office action mailed on 8/11/2004 is provided in Appendix A.

***Response to Arguments***

Applicant's arguments filed 2/15/2005 have been fully considered but they are not persuasive.

The Applicant argues that Ginter does not teach "validation of the offer between the retailer and the user before the transaction so as to allow the transaction to take place."

The Examiner notes, in response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., "...validation of the offer between the retailer and the user before the transaction so as to allow the transaction to take place.") are not explicitly recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

The Examiner further notes, the phrases "...validating the candidate retail offer for the distribution of the electronic media content by accessing the electronic contract and determining if the candidate retail offer is consistent with the electronic contract." and "...validating the candidate retail offer for the distribution of the physical media content, upon receipt of the request, if the candidate retail offer is consistent with the electronic contract." does not move to distinguish the claimed invention from the reference (Ginter). These phrases are both conditional limitations. The noted "if" steps are not necessarily performed. Accordingly, once the positively recited steps are

Art Unit: 3625

satisfied, the method as a whole is satisfied -- regardless of whether or not other steps are conditionally invocable under certain other hypothetical scenarios.

The Applicant argues that Ginter does not recite the element of "...dynamically updating the distribution terms."

The Examiner notes, although each of the clauses **3202** of electronic contract **3200** may ultimately correspond to a collection of data and code that may be executed by a PPE **650**, there may in some instances be a need for rendering a human readable version of the electronic contract. This need can be accommodated by, as mentioned above, providing text within one or more DTDs associated with the component assembly or assemblies **690** used to "self-execute" the contract. Such text might, for example, describe from a functional point of view what the corresponding electronic contract clause **3202** means or involves, and/or might describe in legally enforceable terms what the legal obligation under the contract is or represents. "Templates" (described elsewhere herein) might be used to supply such text from a text library. An expert system and/or artificial intelligence capability might be used to impose syntax rules that bind different textual elements together into a coherent, humanly readable contract document. Such text could, if necessary, be reviewed and modified by a "human" attorney in order to customize it for the particular agreement between the parties and/or to add further legal obligations augmenting the "self-executing" electronic obligations embodied within and enforced by the associated component assemblies **690**

Art Unit: 3625

executing on a VDE electronic appliance 600. (Ginter: Detailed Description Text – paragraph 1601).

The Examiner further notes, nowhere in claims 29, 30, 33, and 35 does it require the “dynamically updating” being performed electronically. Any modifying or updating of the contract (i.e. manually or electronically) would read on the claims. Claims are not to be read in a vacuum, and limitations therein are to be interpreted in light of the specification in giving them their broadest reasonable interpretation.

***Conclusion***

**THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Matthew S. Gart whose telephone number is 571-273-3955. The examiner can normally be reached on M-F, 9-6.

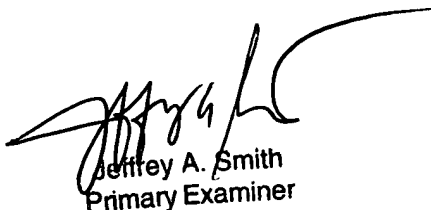
If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Wynn Coggins can be reached on 571-272-7159. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.



Art Unit: 3625

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

MSG  
Patent Examiner  
January 3, 2006



Jeffrey A. Smith  
Primary Examiner

## **APPENDIX A**

### **DETAILED ACTION**

A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 7/15/2004 has been entered.

Claims 55-57 have been added.

Claims 19 and 22 have been cancelled.

Claims 1, 17, 21, 23-27, 40, and 42 have been amended.

Claims 3, 6-13, 16, 18, and 20 have been previously cancelled.

Claims 49-54 are withdrawn.

Claims 1, 2, 4, 5, 14, 15, 17, 21, 23-48 and 55-57 are pending in the instant application.

In the Attorney's "Status of the Claims" section of his remarks, he mistakenly stated that claim 22 is currently pending in the instant application. Claim 22 has been canceled.

***Claim Rejections - 35 USC § 102***

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

**Claims 1, 2, 4, 5, 14, 15, 17, 21, 23-48 and 55-57 are rejected under 35**

**U.S.C. 102(e) as being anticipated by Ginter U.S. Patent Number 5,949,876.**

Referring to claim 1. Ginter discloses a method for distributing electronic media content over a network from a central location (Fig. 1), comprising the steps of:

- Providing a predetermined electronic contract for distributing the electronic media content between a retailer and a distributor, wherein terms of the contract are independent of the electronic media content and the retailer distributes the electronic media content to a consumer and the distributor has rights in the electronic media content (Ginter: claim 1);
- Presenting a candidate retail offer for the distribution of the electronic media content to the consumer (Ginter: column 251, lines 29-60: "In the above example, process A first specifies that it desires the right to read the book without restrictions or other information release. This starting position is specified as a rights option in the PERC that process A is using as a rule. Process B checks its rules and determines that an unrestricted right to read is indeed permitted for a

Art Unit: 3625

price of \$50. It replies to process A that these terms are available. Process A receives this reply and checks it against the control set in the PERC it uses as a rule base..."

- Receiving a request from the consumer to exercise the candidate retail offer (Ginter: column 251, lines 29-60);
- Validating the candidate retail offer for the distribution of the electronic media content by accessing the electronic contract and determining if the candidate retail offer is consistent with the electronic contract (Ginter: column 251, lines 29-60);
- Upon successful validation, providing the electronic media content to the consumer (Ginter: "Distributors **106** and financial clearinghouses **116** may themselves be audited based on secure records of their administrative activities and a chain of reliable, "trusted" processes ensures the integrity of the overall digital distribution process. This allows content owners, for example, to verify that they are receiving appropriate compensation based on actual content usage or other agreed-upon bases.");
- Receiving compensation information from the consumer indicating at least the amount of compensation for the electronic media content provided (Ginter: "Distributors **106** and financial clearinghouses **116** may themselves be audited based on secure records of their administrative activities and a chain of reliable, "trusted" processes ensures the integrity of the overall digital distribution process. This allows content owners, for example, to verify that they are receiving

appropriate compensation based on actual content usage or other agreed-upon bases.”); and

- Allocating the compensation according to the electronic contract (Ginter: Fig. 75B).

Referring to claim 2. Ginter further disclose a method wherein the validating step further comprises the steps of:

- Referencing, in the electronic contract, one or more terms for electronic distribution of the electronic media content (Ginter: claims 1 and 17);
- Comparing the candidate retail offer to the one or more electronic distribution terms (Ginter: claims 1 and 17); and
- Validating the candidate retail offer when the candidate retail offer is consistent with the one or more electronic distribution terms (Ginter: claims 1 and 17 and column 251, lines 29-60).

Referring to claims 4-5. Ginter further discloses a method wherein the allocating step further comprises allocating to the retailer / distributor a predetermined portion of the compensation according to one or more financial terms in the electronic contract (Ginter: Detailed Description Text (1921), “In this example, distributor A and creator A may use VDE to negotiate for a distribution relationship. Since in this example creator A has produced a VDE content container and associated control information that indicates creator A's desire to receive compensation based on rental of usage rights, and such control information further indicates that creator A has placed acceptable restrictions in redistribution control information that distributor A may use to service requests from

Art Unit: 3625

user/distributors, distributor A may accept creator A's distribution control information without any negotiated changes...")

Referring to claims 14-15. Ginter further discloses a method wherein the one or more distribution terms comprise contractual terms of agreement for distribution of one or more of a group of electronic media contents by the retailer (Ginter: Abstract).

Referring to claim 17. Ginter discloses a method for validating an offer for the distribution of electronic media content by a distributor and retailer over a network from a central location (Ginter: Fig. 1), comprising the steps of:

- Receiving one or more electronic distribution contracts, between the distributor and the retailer, governing the distribution of the media content (Ginter: column 251, lines 29-60);
- Receiving a candidate offer from the retailer (Ginter: column 251, lines 29-60);
- Checking the candidate offer against the one or more electronic distribution contracts upon receiving the candidate offer, wherein the checking step comprises the step of referencing terms of the one or more electronic distribution contracts in a predetermined order (Ginter: column 251, lines 29-60); and
- Sending an indication of validation to the retailer when the candidate offer is determined to be consistent with the one or more electronic contracts (Ginter: column 251, lines 29-60).

Referring to claim 21. Claim 21 is rejected under the same rationale as set forth above in claim 1.

Referring to claims 23. Claim 23 is rejected under the same rationale as set forth above in claim 17.

Referring to claims 24. Claim 24 is rejected under the same rationale as set forth above in claim 19.

Referring to claims 25. Claim 25 is rejected under the same rationale as set forth above in claim 1.

Referring to claims 26. Claim 26 is rejected under the same rationale as set forth above in claim 17.

Referring to claims 27. Claim 27 is rejected under the same rationale as set forth above in claim 19.

Referring to claim 28. Ginter further discloses a method comprising:

- Providing the electronic contract at a central location (Ginter: Fig. 1);
- Receiving the request from the consumer at the central location (Ginter: Fig. 1);
- and
- Receiving the payment information at the central location (Ginter: Fig. 1).

Referring to claim 29. Ginter further discloses a method comprising:

- Dynamically updating the electronic contract (Ginter: Fig. 2A); and
- Applying the electronic contract to the distribution of the electronic media content only after receiving the request from the consumer (Ginter: Fig. 2A).

Referring to claim 30. Ginter further discloses a method comprising:

- Dynamically updating the distribution terms (Ginter: Fig. 2A); and



Art Unit: 3625

- Referencing the one or more distribution terms only after receiving the request from the consumer (Ginter: Fig. 2A).

Referring to claim 31. Ginter further discloses a method wherein the predetermined order indicates a hierarchical relationship between the one or more electronic contracts (Ginter: abstract).

Referring to claim 32. Ginter further discloses a method comprising:

- Receiving the electronic distribution contracts at a central location (Ginter: Fig. 2A); and
- Receiving the candidate offer at the central location (Ginter: Fig. 2A).

Referring to claim 33. Ginter further discloses a method comprising:

- Dynamically updating the one or more electronic distribution contracts (Ginter: Fig. 2A); and
- Referencing the terms of the one or more electronic distribution contracts only after receiving a request from a consumer (Ginter: Fig. 2A).

Referring to claim 34. Ginter further discloses a method comprising:

- Receiving the electronic financial contracts at a central location (Ginter: Fig. 1); and
- Referencing the one or more electronic financial contracts only after receiving a request from a consumer (Ginter: Fig. 1).

Referring to claim 35. Ginter further discloses a method comprising:

- Dynamically updating the one or more electronic financial contracts (Ginter: Fig. 2A); and

- Referencing the terms of the one or more electronic financial contracts only after receiving a request from a consumer (Ginter: Fig. 2A).

Referring to claims 36. Claim 36 is rejected under the same rationale as set forth above in claim 28.

Referring to claims 37. Claim 37 is rejected under the same rationale as set forth above in claim 31.

Referring to claims 38. Claim 38 is rejected under the same rationale as set forth above in claim 28.

Referring to claims 39. Claim 39 is rejected under the same rationale as set forth above in claim 31.

Referring to claims 40. Claim 40 is rejected under the same rationale as set forth above in claim 1.

Referring to claim 41. Ginter further discloses a method wherein the physical media content is a digital versatile disk (Ginter: column 3, lines 34-38).

Referring to claims 42. Claim 42 is rejected under the same rationale as set forth above in claims 1 and 2.

Referring to claims 43. Claim 43 is rejected under the same rationale as set forth above in claims 1 and 2.

Referring to claims 44-45. Ginter further discloses a method wherein the first electronic contract is stored at a same network location as the second electronic contract and wherein the first electronic contract is stored at a different network location as the second electronic contract (Ginter: Fig. 2).

Referring to claims 46. Claim 46 is rejected under the same rationale as set forth above in claim 1.

Referring to claims 47. Claim 47 is rejected under the same rationale as set forth above in claims 2, 4 and 5.

Referring to claims 48. Claim 48 is rejected under the same rationale as set forth above in claims 2, 4 and 5.

Referring to claims 55-57. Claim 55-57 are rejected under the same rationale as set forth above in claims 1, 2, 4 and 5.

### ***Response to Arguments***

Applicant's arguments with respect to the pending claims are not persuasive.

Examiner cites particular columns and line numbers in the references as applied to the claims for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested that, in preparing responses, the applicant fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

The Attorney argues that Ginter does not disclose, as part of his method, accessing the electronic contract and determining if the candidate retail offer is

consistent with the electronic contract, whereby the candidate retail offer is validated against the agreed upon contract between the distributor and retailer.

The Examiner notes, Ginter does disclose the use of a VDE right distributor 106, which distributes rights and may also administer and analyze customers' use of VDE authored information (Ginter: Fig. 2). The VDE right distributor 106 validates those customers who receive permission from a distributor to open VDE packages. VDE packaged content can be constrained by "rules and control information" provided by content creator 102 and/or the content distributor (column 251, line 60 to column 252, line 64).

The Attorney argues that Ginter does not disclose or suggest previous agreements being updated and accessed dynamically for validation, so that an offer to a consumer (a third party) can be authorized and processed.

The Examiner notes, in response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., agreements being updated) are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

The Attorney argues that Ginter does not disclose the step of "providing a predetermined electronic contract ... wherein terms of the contract are independent of the electronic media content."

The Examiner notes, FIG. 1 (Ginter) shows a publishing house 214. Publishing house 214 may act as a distributor for an author 206. The publishing house 214 may distribute rights to use "content" (such as computer software, electronic newspapers, the video produced by publishing house 214, audio, or any other data) to consumers such as office 210. The use rights may be defined by "rules and controls" distributed by publishing house 216. Publishing house 216 may distribute these "rules and controls" with the content, but this is not necessary. Because the content can be used only by consumers that have the appropriate "rules and controls," content and its associated "rules and controls" may be distributed at different times, in different ways, by different VDE participants. The ability of VDE to securely distribute and enforce "rules and controls" separately from the content they apply to provides great advantages (Ginter: column 54, lines 21-36).

### ***Conclusion***

Any inquiry concerning this communication should be directed to Matthew Gart whose telephone number is 703-305-5355. This examiner can normally be reached Monday-Friday, 8:30AM-5:30PM EST.

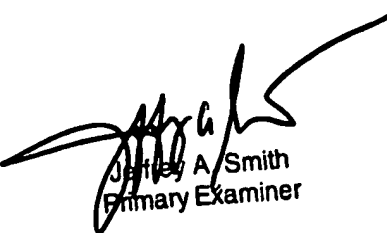
If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Ms. Wynn Coggins can be reached on 703-308-1344. The fax phone numbers for the organization where this application or proceeding is assigned are 703-746-7239 for regular communications and 703-746-7238 for After Final communications.

Art Unit: 3625

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-305-3900.

MSG

August 2, 2004



James A. Smith  
Primary Examiner